

## Message Text

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PAGE 01 MEXICO 07623 092333Z

71

ACTION ARA-20

INFO OCT-01 ISO-00 AGR-20 COME-00 FTC-01 AID-20 EB-11

TRSE-00 CIAE-00 DODE-00 INR-10 NSAE-00 PA-03 RSC-01

USIA-15 PRS-01 SPC-03 DRC-01 /107 W

----- 056859

R 092239Z OCT 73

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 8369

INFO AMEMBASSY GUATEMALA

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

UNCLAS MEXICO 7623

E.O. 11652: N/A

TAGS: EAGR MX

SUBJ: MEXICAN SUSPENSION OF COFFEE SALES TO US.

REF: MEXICO 7361

CANTU PENA, DIRECTOR MEXICAN COFFEE INSTITUTE, CONFIRMS RECENT PUBLIC ANNOUNCEMENT THAT MEXICO HAS JOINED WITH EL SALVADOR AND COSTA RICA TO INDEFINITELY SUSPEND COFFEE SALES TO THE US. IN EFFORT TO MAINTAIN "REASONABLE PRICES". REPORTEDLY EXPORTS OF MEXICAN AND CENTRAL AMERICAN (PARTICULARLY GUATEMALA) COFFEE HAVE INCREASED DRAMATICALLY DURING THE PAST YEAR WHICH HAS RESULTED IN LARGE ACCUMULATION OF STOCKS IN US. IN MEXICO'S CASE, TOTAL EXPORTS DURING COFFEE YEAR THAT JUST ENDED TOTALLED 2.5 MILLION BAGS COMPARED TO 1.7 MIN PREVIOUS YEARS. ABOUT THREE-FOURTHS MEXICAN COFFEE EXPORTS ARE TO US. THIS INCREASE REFLECTS LARGE DRAW DOWN IN MEXICAN STOCKS WHICH HAD BEEN ACCUMULATING IN RECENT YEARS. MEXICAN OFFICIALS FEEL THAT US. TRADE IS USING THESE LARGE STOCKS TO BRING DOWN INTERNATIONAL PRICES, WHICH IS REASON THEY HAVE SUSPENDED SALES AND THEY DO NOT PLAN TO EXPORT MORE COFFEE TO US. UNTIL STOCKS ARE DOWN. IT SHOULD BE KEPT IN MIND THAT THIS ACTION BY GOM DOES NOT REPRESENT SIGNIFICANT SACRIFICE ON THEIR PART SINCE MOST OF

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ACCUMULATED STOCKS HAVE ALREADY BEEN EXPORTED AND NEW COFFEE

HARVEST WILL NOT START UNTIL NOVEMBER, SO EXPORTABLE SUPPLIES  
ARE LOW IN ANY EVENT.  
MCBRIDE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COFFEE, EXPORT CONTROLS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 OCT 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973MEXICO07623  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** MEXICO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731044/aaaabfxo.tel  
**Line Count:** 64  
**Locator:** TEXT ON-LINE  
**Office:** ACTION ARA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** MEXICO 7361  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** thigpegh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 DEC 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12-Dec-2001 by elbezefj>; APPROVED <22 FEB 2002 by thigpegh>  
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30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MEXICAN SUSPENSION OF COFFEE SALES TO US.  
**TAGS:** EAGR, ETRD, MX  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005